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August 10, 2012

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: Telrite Corporation Compliance Plan; WC Docket Nos. 09-197, 11-42

Dear Ms. Dortch:

On July 27, 2012, Telrite Corporation ("Telrite") submitted its revised Compliance Plan outlining the measures it will take to implement the conditions imposed by the Commission in its *Lifeline Reform Order*.¹

In the July 27, 2012 letter, I discussed press coverage of the Lifeline program and of Telrite's Life Wireless branded service in particular. On August 9 and 10, 2012, I had conversations with Garnet Hanly, Divya Shenoy and Kim Scardino of the Commission's staff regarding the latest press coverage which is available at

<http://www2.wsav.com/news/2012/aug/08/free-cell-phones-those-need-ar-4304096/>

I explained that, as was the case with the others, Telrite did not ask for this story, but when the reporter engaged and wanted to proceed with a story, Telrite responded by flying a media relations professional from Fleishman Hilliard in and by making management available to ensure that accurate information about the Lifeline program and Life Wireless's operations was

¹ See *Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report And Order and Further Notice Of Proposed Rulemaking, FCC 12-11 (Feb. 6, 2012).

KELLEY DRYE & WARREN LLP

Marlene H. Dortch, Secretary
August 10, 2012
Page Two

conveyed. This story is a good one for both the Lifeline program and for Telrite/Life Wireless in as much as it conveys a positive message about and accurate account of both.

I further explained that, despite this being a good story (like others, *e.g.*, <http://kaaltv.com/article/stories/S2683084.shtml?cat=10151>), neither the Lifeline program nor any ETC should be judged by soft-news coverage. Doing so would not be fair to the FCC or to the ETCs. Had this reporter been an “investigative” reporter, chances are good that it would have resulted in a misinformed rehash highlighting an attention seeking consumer fraudster (or poser) and wasted “tax dollars” used for “free government phones” dressed with footage of Life Wireless or another ETC that had nothing to do with tax dollars or free government phones and did nothing unlawful.

I also reiterated that Telrite is committed to defend its reputation and that of the Lifeline program. Consistent with its corporate mission statement and as noted in my July 27, 2012 letter, Telrite/Life Wireless is now airing its second PSA, which is available at:

<http://youtu.be/CwO5p-RgVhE>

By the end of August 2012, these PSAs will have aired 830 times on broadcast television in Baltimore, Little Rock, Minneapolis and St. Louis. As with the first PSA, <http://youtu.be/7xOCEZvTv9o>, this is all being funded by Telrite/Life Wireless.

In addition, I provided an update with respect to Telrite’s participation in CGM’s pooled database duplicate safeguard program. As I explained in my July 27, 2012 letter, Telrite participates by seeding the database with its customer information and also by dipping the database to ensure it does not enroll in Lifeline a customer who already is receiving a Lifeline supported service from another participating ETC. In particular, I provided the following results:

- 8/1 - 268 duplicates blocked
- 8/2 - 693 duplicates blocked
- 8/3 - 694 duplicates blocked
- 8/4 - 281 duplicates blocked
- 8/5 - 167 duplicates blocked
- 8/6 - 421 duplicates blocked
- 8/7 - 471 duplicates blocked
- 8/8 - 412 duplicates blocked

I explained that Telrite is pleased with these results – which are a win for the Fund and for Telrite (duplicates are not allowed by the rules and they are money losers for the Fund as well as for Telrite).

KELLEY DRYE & WARREN LLP

Marlene H. Dortch, Secretary
August 10, 2012
Page Three

Finally, I discussed Telrite's experience with terminating customers for non-usage and indicated that the Telrite's practices in this regard will result in millions of dollars of savings to the Fund by year-end.

This letter is being filed electronically for inclusion in the public record of the above-referenced proceedings. Please feel free to contact the undersigned with any questions.

Respectfully submitted,



John J. Heitmann

Counsel to Telrite Corporation

cc: Kim Scardino
Divya Shenoy
Garnet Hanly